



SOCIAL SECURITY
Office of the Chief Actuary

September 12, 2011

The Honorable Thaddeus McCotter
House of Representatives
Washington, D.C. 20515

Dear Mr. McCotter:

We are writing in response to your request for estimates of the financial effects on Social Security and the Federal Budget of a proposal to provide voluntary personal accounts and to restore 75-year solvency for Social Security. We have worked closely with Jack Daly and Artur Suchorzewski of your staff in developing the proposal. The preliminary estimates provided here reflect our understanding of the intent.

Our preliminary estimates reflect the specifications indicated in this letter. These results do not yet include the cost of providing a benefit guarantee, revenue from taxes on benefits and personal account distributions in excess of estimated revenue under current law, and illustrative examples of Social Security benefit levels and potential annuities from personal account accumulations. We will provide complete estimates in our final letter in the near future. Please note that we are unable to reflect the intended effects of the “spending reduction account” due to the uncertainty associated with future discretionary spending. All estimates are based on the intermediate assumptions of the 2011 Trustees Report. The estimates presented reflect the combined efforts of many in our office, but particularly Dan Nickerson, Jason Schultz, Tiffany Bosley, Michael Clingman, Katie Kraft, and Kyle Burkhalter.

The proposal includes the following six provisions:

- 1) A voluntary option to participate in a personal account (PA) program that will be available to all OASDI covered workers (including self-employed workers) who are under age 50 at the beginning of 2012 (born in 1962 or later). The PA program will be operated by a central administrative authority (CAA) similar to the Thrift Savings Plan (TSP) available to Federal employees. Contributions to the PA will be made on behalf of the worker from the General Fund of the Treasury in amount equal to 5 percent of OASDI taxable earnings up to \$10,000 in 2012, and 2.5 percent for OASDI taxable earnings above that level. The \$10,000 level will be indexed to change in the national average wage index (AWI) for years after 2012. PA participants will have the option to have their contributions invested in one or more life-cycle funds offered by the CAA with an option to alter the allocation among available funds once each year. No withdrawals would be permitted from the PA accumulations for retirees prior to attaining retirement eligibility age (62 for retired workers and aged spouses, and 60 for aged surviving spouses) or, for individuals receiving disabled worker benefits until attaining normal retirement age. Distributions from PA accounts will be subject to personal income tax in the same manner as for OASDI benefits.

- 2) Retirement and aged survivor benefits payable from the OASI Trust Fund will be reduced from full scheduled levels for PA participants by a percentage of up to 50 percent. The reduction percentage for an individual will equal 50 percent multiplied by the ratio of (a) the present discounted value (PV) of actual contributions made to the PA program on behalf of the individual to (b) the PV of contributions that the individual would have made if the PA program had always been available and the individual had always participated. The reduction percentage will apply to all benefit amounts payable for retirement (including aged spouse benefits) and aged survivor benefits based on the earnings record of the participating worker. Young survivors (surviving spouses with a child in care as well as surviving child beneficiaries) will be held harmless from this provision. For workers who received disabled worker benefits between ages 22 and 61, the reduction percentage, which will apply upon conversion to retired worker status at normal retirement age, will be adjusted. The adjustment lowers the reduction percentage by multiplying the reduction percentage by the ratio of (a) the number of years of attaining ages 22 through 61 in which the worker did not receive disabled worker benefits (or received such benefit for less than half of the year) to (b) 40.
- 3) Each worker participating in the PA program will be guaranteed that the total of (a) the OASI monthly benefit payable with the reduction for PA participation, and (b) the CPI-indexed life annuity available for purchase through the CAA utilizing the entire PA accumulation and designed to follow the pattern of OASI benefits payable (including aged spouse and aged surviving spouse benefits) will be at least equal to the full OASI benefit that would have been payable had the worker never participated in the PA program. Workers who do not participate in the PA program will receive OASI benefits as scheduled under current law. The cost of providing the guarantee will be financed from the General Fund of the Treasury.
- 4) Beginning in 2012, the OASI and DI Trust Funds will have borrowing authority such that if at any time in the future the combined assets of the Funds would become exhausted, the General Fund of the Treasury will make loans to the Funds sufficient to continue paying OASDI benefits on a timely basis. Loans to the Trust Funds will be made in the same manner in which the Trust Funds currently invest assets. Loans will be made with an interest rate equal to that for special issue securities that are issuable to the Trust Funds at that time. Loan balances will be repaid to the General Fund, with accumulated interest, when OASDI revenues again exceed cost.
- 5) In any year in which OASDI income exceeds the amount necessary to maintain the level of the combined OASI and DI Trust Fund assets at a level of 100 percent of program cost for the following 12 months, and assets are not projected to fall below that level at any time in the next 75 years as projected under the intermediate assumptions of the current Annual Report of the Board of Trustees of the OASDI program, the excess of income needed to maintain the Trust Fund assets of 100 percent of annual program cost will be redirected to the General Fund of the Treasury. Redirected OASDI income will be used by the Treasury to help finance current PA contributions. If excess OASDI income exceeds the amount of current PA contributions, then the remainder will help finance the

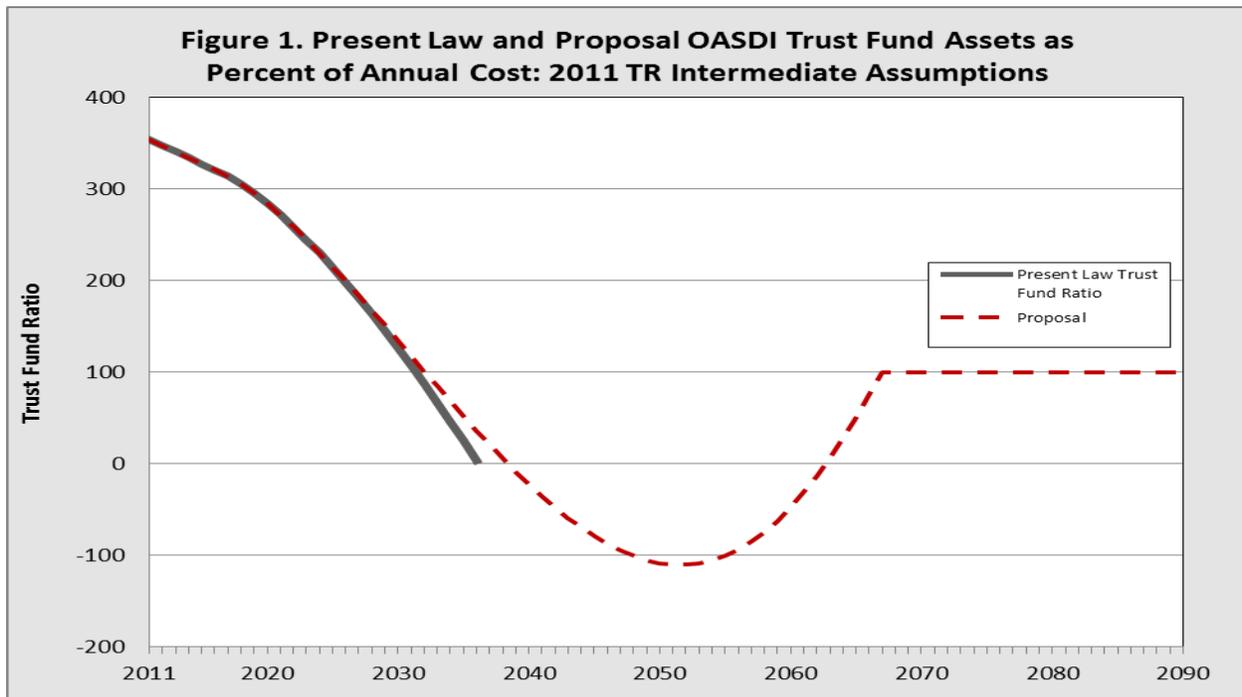
guarantee cost and to repay to the General Fund the accumulated value of past PA contributions and guarantee costs.

- 6) The proposal would establish a “spending reduction account” intended to reduce Federal discretionary spending by amounts sufficient to offset the cost to the General Fund of the Treasury for financing contributions to PAs and for the benefit guarantee under this proposal. However, the level of discretionary spending for any future year will only be fully specified and realized based on final appropriations in that year, and so is uncertain in advance. For this reason, and because almost no discretionary spending is directly associated with Social Security financial operations, we are unable to include the intended effects of this provision in our estimates.

The balance of this letter provides a summary of the estimated effects of enacting this proposal on the actuarial status of the OASDI program and the Federal Budget, and detailed estimates of the effects of enactment. Because of the guaranteed benefit level under the plan, we assume that all eligible individuals would participate in the PA program.

Summary of Effects on Actuarial Status

Figure 1 below illustrates the expected change in the combined Old-Age, Survivors Insurance (OASI) and Disability Insurance (DI) Trust Fund assets, expressed as a percent of annual program cost, with enactment of this proposal.



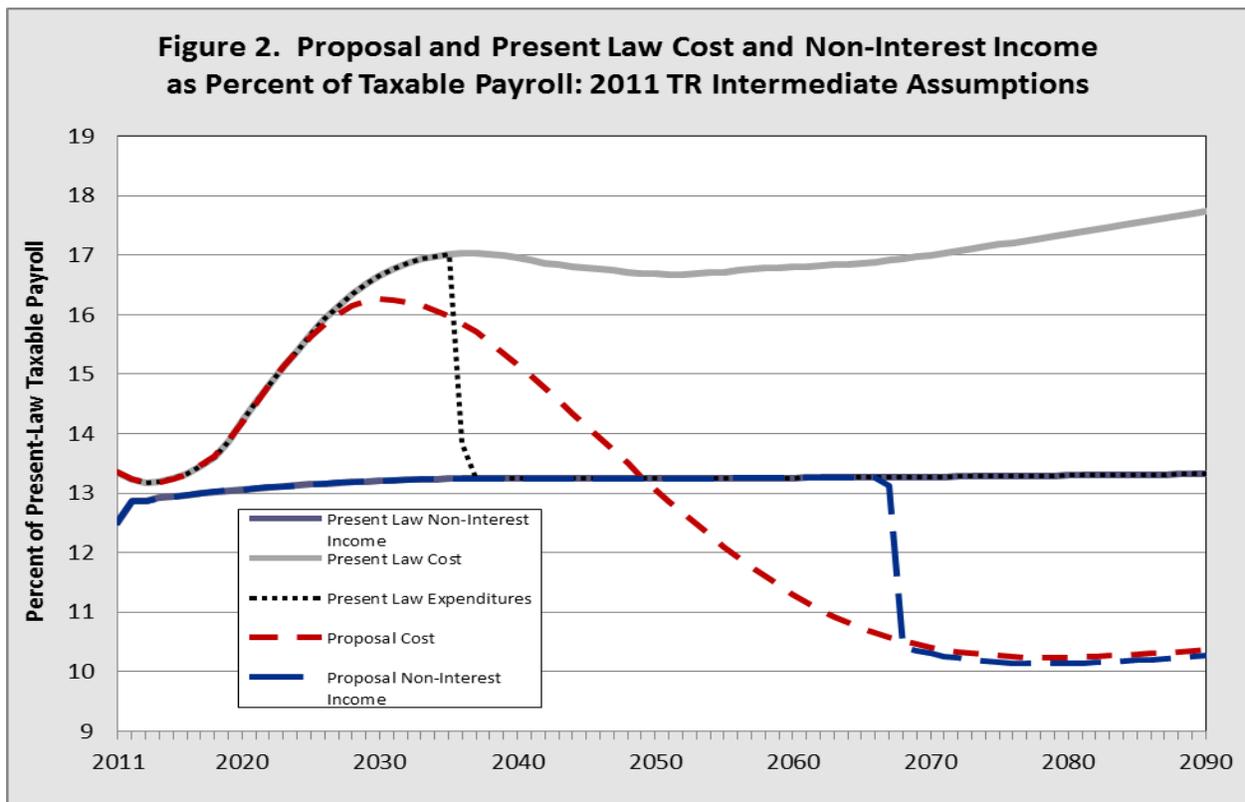
Note: *Trust Fund Ratio* for a given year is the ratio of assets in the combined OASI and DI Trust Fund assets at the beginning of the year to the cost of the program during the year.

Assuming enactment, the OASDI program would be expected to be solvent until 2038. In the year 2038, the combined assets of the OASI and DI Trust Funds would become exhausted and loans from the General Fund of the Treasury would be needed in order to continue paying the

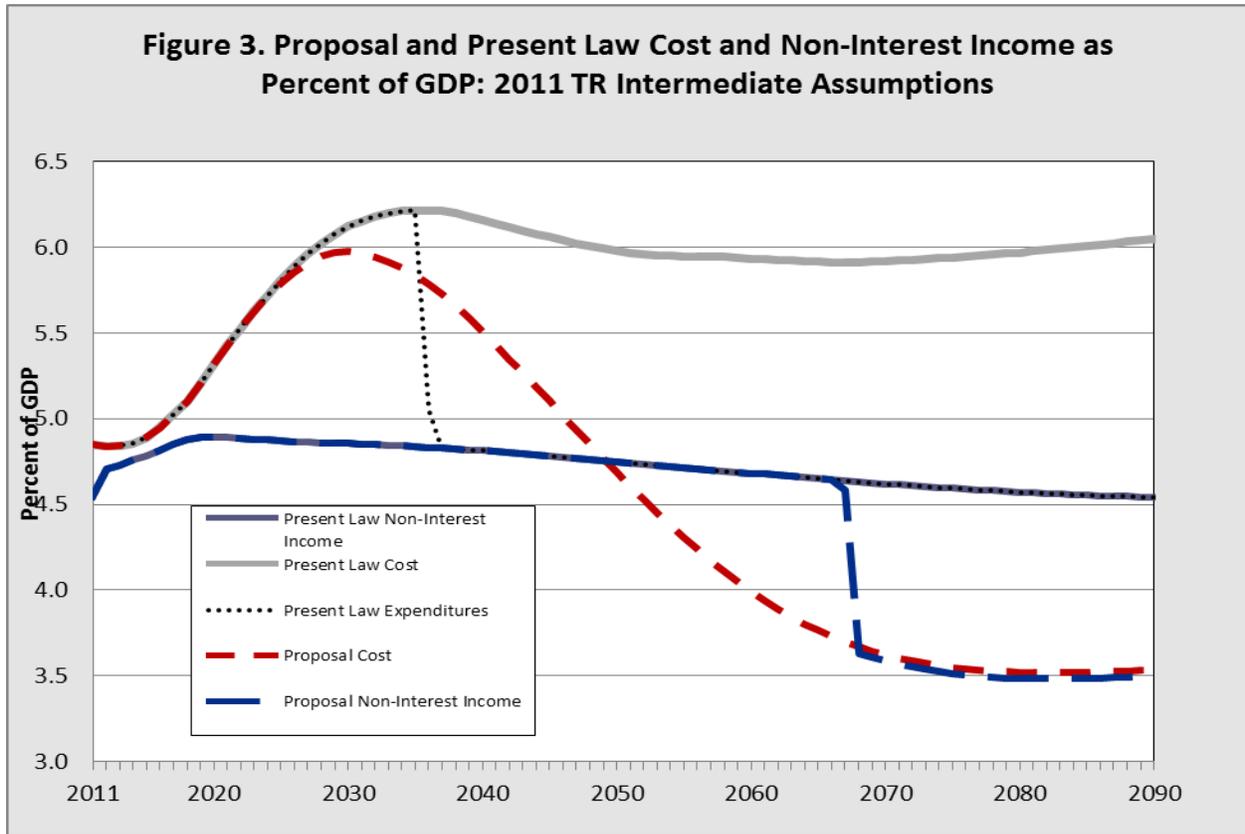
scheduled benefits on a timely basis. The total outstanding borrowing by the trust fund is estimated to peak, in present value terms, in 2049 and then to begin to be repaid thereafter. The borrowing is expected to be fully repaid to the General Fund of the Treasury by the beginning of 2062, and combined trust fund assets are projected to continue rising thereafter. The combined trust fund assets are projected to reach 100 percent of the annual cost of the OASDI program by the beginning of 2067. At that time, and thereafter, income to the trust funds in excess of what is needed to maintain the assets at 100 percent of annual cost is redirected to the General Fund of the Treasury, and so the trust fund ratio to annual cost remains at 100 percent.

Enactment of the proposal would improve the long-range OASDI actuarial balance by 2.22 percent of taxable payroll, replacing the actuarial deficit of 2.22 percent of taxable payroll under current law with an actuarial balance of 0.00 percent of payroll. This means that the trust funds would achieve an asset level equal to 100 percent of annual program cost at the end of the 75-year period. Moreover, the trust fund ratio to annual program cost would be stable at the end of the period. Thus, while the trust funds are not technically solvent throughout the period (assets are negative reflecting necessary borrowing from the General Fund of the Treasury between 2038 and 2062), the positive asset level and the stability of that positive asset level at the end of 75 years is consistent with sustainable solvency for the OASDI program.

Figure 2 below illustrates annual projected levels of cost and income as a percent of taxable payroll under current law. The figure shows projected levels of cost for present-law scheduled and payable benefits (when less than the cost for scheduled benefits) and for benefits under this proposal. Under this proposal, the combined OASI and DI Trust Funds become exhausted in 2038, but borrowing authority under this proposal would permit scheduled benefits to be payable on a timely basis throughout the 75-year projection period.



It is also useful to consider the projected cost and income for the OASDI program expressed as a percentage of Gross Domestic Product (GDP). Figure 3 below illustrates these levels under both current law and this proposal.



Plan Specification for Provisions of the McCotter Proposal

The outline on pages 1 and 2 of this letter provide our understanding of the intent of this proposal. Estimates provided here are preliminary and in some instances incomplete (cost of guarantee, revenue from taxes on personal account distributions, and benefit illustrations are not yet available). We will provide fuller details on plan specifications at a later date. In particular, we will provide details about the PA accumulations, distributions, and guarantees.

Detailed Financial Results

Benefit Illustrations

We are unable to provide illustrations of estimated future benefit levels under the plan at this time. However, because a guaranteed total payment is assured that will be at least equal to the benefits scheduled from the OASDI program under current law without participation in the PA program, estimated total payments will be no less than under current law. For retirees who have worked only in years after 2011, we assume participation in the PA program throughout their working years. As a result, except for those who had received disabled worker benefits between ages 22 and 61, benefits paid from the OASI Trust Fund based on earnings to retirees and aged survivors would be at a rate of 50 percent of the amount scheduled in the absence of PA

participation. The balance of the scheduled benefit would be made up with an annuity available through the CAA purchased with PA accumulation (if the annuity is elected) plus a guarantee payment financed by the General Fund of the Treasury (if the available annuity is not enough).

Trust Fund Operations

Table 1 shows the annual cost and income rates, annual balances, and trust fund ratios for OASDI assuming enactment of the proposal. This table also shows the change from present law in these cost rates, income rates, and balances. Included at the bottom of this table are summarized rates for the 75-year long-range period and the expected year of trust fund exhaustion under this proposal.

Table 1 indicates that the OASDI program is projected to be solvent until 2038, at which time the combined trust fund assets would become exhausted and borrowing from the General Fund of the Treasury would start. This special borrowing authority is unique to this proposal and thus permits continued payment of OASDI scheduled benefits on a timely basis, while incurring debt owed to the General Fund of the Treasury. That debt is shown as a negative trust fund ratio at the beginning of years 2039 through 2062. Thereafter, the trust fund ratio rises to a stable level of 100 percent of annual program cost. The actuarial deficit for the OASDI program over the 75-year projection period would be improved by an estimated 2.22 percent of taxable payroll, from an actuarial deficit of 2.22 percent of payroll projected under current law to an actuarial balance of 0.00 percent of payroll under the proposal.

The annual balance for the OASDI program (non-interest income minus cost) would be improved for all years after 2023. Because benefit reductions for PA participants increase in magnitude gradually over time, annual balances improve gradually. By 2050, annual balances are positive as benefit reductions for PA participants begin to exceed the size of annual shortfalls projected under current law. Once the trust fund reaches 100 percent of annual program cost, by the beginning of 2067, income to the program in excess of that needed to maintain this level of trust fund assets is redirected to the General Fund of the Treasury to pay PA contributions. This results in small negative annual balances after 2067 because interest on the assets in the trust funds alone is then projected to be more than sufficient to maintain the level of the trust fund ratio at 100 percent of annual program cost. The excess of interest contributes to the financing of current benefits, permitting retained non-interest income (tax revenue) to be less than the ongoing cost of the program.

Program Loans, Transfers, and Assets

Column 1 of **table 1a** provides estimates of the annual amounts of borrowing and repayment of loans from the General Fund of the Treasury to the trust funds that permit payment of full scheduled OASDI benefits on a timely basis after the trust fund assets are exhausted. Column 2 provides the estimated amount of outstanding debt owed by the trust funds to the General Fund of the Treasury.

Columns 3 and 4 of table 1a present the expected amount of income to the OASDI program that is redirected to the General Fund of the Treasury after the trust funds reach a permanent level of 100 percent of annual program cost, in percent of taxable payroll and present value dollars,

respectively. Column 5 provides the accumulated amount of income redirected at the end of each year in present value dollars.

Column 6 of table 1a provides a projection of asset level for the combined OASI and DI Trust Funds under the proposal, expressed in present value January 1, 2011 dollars, using projected Trust Fund interest rates. Negative asset levels are shown for years in which the trust funds have outstanding loan balances owed to the General Fund of the Treasury. For purpose of comparison, column 9 shows the net OASDI Trust Fund assets, expressed in present-value dollars, for a theoretical Social Security program where borrowing authority is assumed for the Trust Funds, but current law is otherwise unchanged. Column 10 is the same as column 9 because there are no specified transfers between the Trust Funds and the General Fund of the Treasury. Gross Domestic Product, expressed in present value dollars, is shown in column 8 for comparison with other values in the table.

The level of estimated accumulation of assets in PA accounts in column 7 is not yet available (to be determined). The sum of OASDI combined Trust Fund assets and PA assets may be viewed as total system assets. When available, this amount will be substantially higher than Trust Fund assets alone, reflecting the substantial contributions made starting in 2012 from the General Fund of the Treasury to finance PA contributions.

Effect on the Federal Budget and Debt

Table 1b shows the preliminary projected effects of enactment of this proposal, in present value discounted dollars, on the Federal budget and debt from both the unified budget perspective and the on-budget perspective. **Table 1b.n** provides the estimated nominal-dollar effects of enactment of the proposal for years 2011 through 2021. All values in these tables represent the amount of the *change* that would be expected due to enactment of the proposal, from the level that would be projected under current law reflecting budget-scoring conventions.

The first 5 columns in these tables provide the annual amounts of components of change under this proposal that potentially affect the Federal Budget and debt levels. Column 1 reflects the annual reductions in OASDI scheduled benefit payments under the proposal, including related effects on the personal income tax on OASDI benefits and PA distributions that is provided to the OASDI Trust Funds. Revenues from taxation of PA distributions are not yet estimated, so a preliminary estimate is included here that is unchanged from the revenue under current law. The final estimate of revenue for taxation of benefits and PA distributions is expected to be somewhat greater than shown here on a preliminary basis. Column 2 indicates the annual amounts of PA contributions made from the General Fund of the Treasury, including amounts financed with trust fund income. Column 3 provides the projected annual amounts of OASDI income that would be redirected to the General Fund of the Treasury after the combined OASDI Trust Fund asset level rises permanently to at least 100 percent of annual program cost. This is used to finance a portion of the PA contributions. When this amount redirected from the Trust Funds to the General Fund exceeds the PA contributions, the excess will be applied to pay a portion of the cost of the guarantee. When redirected OASDI income exceeds both current-year PA contributions and guarantee cost, any remainder will be used to repay the accumulated value of past PA contributions and guarantee costs financed from the General Fund of the Treasury. Column 4 is to provide the total estimated annual expected cost of the guarantee under the

proposal that will be financed from the General Fund of the Treasury. The cost for the guarantee is not available at this time and will be added later when a final valuation of the proposal is completed. Column 5 indicates the annual amounts of borrowing from or repayment to the General Fund of the Treasury by the combined OASDI Trust Funds to assure timely payment of scheduled benefits. Note that we are unable to reflect the intended effects of the “spending reduction account” due to the uncertainty associated with future discretionary spending. .

On-Budget Perspective: Total Federal Debt

The OASDI program is accounted for on an off-budget basis in the Federal Budget and therefore does not directly affect the on-budget expenditures or balances. In addition, the OASDI program has no direct net effect on the total Federal debt liability, which is comprised of publicly held debt plus debt owed to the Federal trust funds. Any accumulated assets in the trust funds, which are liabilities of the U.S. Treasury, would instead be borrowed from and owed to the public if the trust funds had not run net surpluses over past years. Any changes in OASDI cash flow from this or other OASDI legislation do not directly affect total Federal debt, or on-budget annual balances. For these reasons, the reductions in OASDI benefit payments net of revenue from taxes on benefits and PA distributions under the proposal (column 1) do not affect the on-budget annual balances or the total Federal debt.

Under this proposal, however, three of the other four components do have implications for the total federal debt (column 10) and on-budget annual cash flow (column 9). These include:

- The total PA contributions financed by the General Fund which are increases in Federal expenditures (column 2),
- The total cost of the guarantee that is financed by the General Fund of the Treasury, which is an additional Federal expenditure (column 4), and
- The amount of OASDI income that is redirected from the trust funds to the General Fund of the Treasury, which are increases in on-budget revenue (column 3).

The borrowing activity by the Trust Funds from the General Fund of the Treasury provided in this proposal (column 5) does not alter the total Federal debt or on-budget annual balances because such borrowing is presumed to occur under standard budget scoring convention.

Unified Budget Perspective: Publicly-Held Debt

Annual unified budget balances would be affected under this proposal by the amounts indicated for reduction in scheduled OASDI benefits net of change in tax on benefits and PA distributions (column 1), total contributions to PAs (column 2), and the total expected cost of the guarantee (column 4). Transfer of excess Trust Fund income not needed to maintain assets at 100 percent of annual program cost does affect publicly held debt, as this revenue would have reduced the need to borrow from the public in the absence of this transfer. Loan activity between the Trust Funds and the General Fund of the Treasury (column 5) does not alter the annual unified budget balances or publicly held debt because such borrowing is presumed to occur under standard budget scoring convention.

The projected increase in publicly held debt under this proposal is about \$0.5 trillion by the end of 2085. The increase in total Federal debt is \$7.4 trillion by the end of 2085, because reduction

in OASDI net benefits (column 1) and income redirected from the Trust Funds to the General Fund (column 3) do not affect total Federal debt. These values are preliminary, as they do not reflect either any net increase in revenue from taxing benefits and PA distributions, or the cost of the guarantee. It is important to note that these estimates are based on the intermediate assumptions of the 2011 Trustees Report and thus are not consistent with estimates made by the OMB or the CBO based on their assumptions.

Annual Trust Fund Operations as a Percent of GDP

Table 1c provides annual cost, annual expenditures (on a payable basis), and annual non-interest income, for the OASDI program expressed as a percentage of GDP. These values are shown for both present-law and assuming enactment of the proposal. Showing the annual trust fund flows as a percent of GDP provides an additional perspective on these trust fund operations in relation to the total value of goods and services produced in the United States.

Effects on Trust Fund Assets and Unfunded Obligations

Table 1d provides preliminary estimates of the changes due to the proposal in the level of projected trust fund assets under present law and, for years after trust fund exhaustion, the level of unfunded obligations under present law. All values in the table are expressed in present-value discounted dollars. For the 75-year long-range period as a whole, the present-law unfunded obligation of \$6.5 trillion in present value is replaced with a positive trust fund balance of \$0.4 trillion. This change is the combination of the following:

- \$1.7 trillion contribution of trust fund income to Personal Accounts and guarantee costs (redirected to the General Fund for this purpose) (column 2),
- \$0.0 trillion preliminary net change in revenue to the trust funds from taxation of benefits and PA distributions (column 3), and
- \$8.6 trillion decrease in cost due to reduction in OASI benefits (column 5).

We hope these estimates will be helpful. Please let me know if we may provide further assistance.

Sincerely,



Stephen C. Goss, Chief Actuary



Alice H. Wade, Deputy Chief Actuary



Christopher J. Chaplain, Supervisory Actuary

Enclosures

Table 1 - OASDI Cost Rate, Income Rate, Annual Balance, and Trust Fund Ratio - Preliminary Estimates
McCotter Proposal for Personal Accounts with OASI Benefit Reduction - Assume 100 Percent Participation

Year	Proposal			Trust Fund Ratio 1-1-year	Change in Present Law		
	Expressed as a percentage of present-law taxable payroll				Expressed as a percentage of present-law taxable payroll		
	Cost Rate	Income Rate	Annual Balance		Cost Rate	Income Rate	Annual Balance
2011	13.35	12.52	-0.82	353	0.00	0.00	0.00
2012	13.23	12.87	-0.36	347	0.00	0.00	0.00
2013	13.18	12.87	-0.31	341	0.00	0.00	0.00
2014	13.18	12.92	-0.27	334	0.00	0.00	0.00
2015	13.24	12.94	-0.30	328	0.00	0.00	0.00
2016	13.33	12.97	-0.36	321	0.00	0.00	0.00
2017	13.46	13.00	-0.46	314	0.00	0.00	0.00
2018	13.62	13.03	-0.59	306	0.00	0.00	0.00
2019	13.88	13.04	-0.84	296	0.00	0.00	0.00
2020	14.20	13.06	-1.14	284	0.00	0.00	0.00
2021	14.52	13.08	-1.44	272	0.00	0.00	0.00
2022	14.83	13.10	-1.73	259	0.00	0.00	0.00
2023	15.13	13.12	-2.01	245	0.00	0.00	0.00
2024	15.39	13.13	-2.26	230	-0.01	0.00	0.01
2025	15.63	13.15	-2.48	215	-0.04	0.00	0.04
2026	15.84	13.16	-2.67	200	-0.09	0.00	0.09
2027	16.01	13.18	-2.83	184	-0.14	0.00	0.14
2028	16.14	13.19	-2.95	168	-0.20	0.00	0.20
2029	16.23	13.20	-3.03	151	-0.29	0.00	0.29
2030	16.26	13.21	-3.05	134	-0.40	0.00	0.40
2031	16.25	13.22	-3.03	118	-0.51	0.00	0.51
2032	16.22	13.23	-2.99	101	-0.64	0.00	0.64
2033	16.16	13.23	-2.93	84	-0.77	0.00	0.77
2034	16.08	13.24	-2.84	68	-0.90	0.00	0.90
2035	15.97	13.24	-2.73	52	-1.04	0.00	1.04
2036	15.85	13.25	-2.60	36	-1.18	0.00	1.18
2037	15.71	13.25	-2.46	21	-1.33	0.00	1.33
2038	15.54	13.25	-2.29	6 *	-1.48	0.00	1.48
2039	15.35	13.25	-2.11	-9 *	-1.63	0.00	1.63
2040	15.16	13.25	-1.92	-22 *	-1.79	0.00	1.79
2041	14.96	13.25	-1.72	-36 *	-1.95	0.00	1.95
2042	14.76	13.25	-1.51	-48 *	-2.12	0.00	2.12
2043	14.55	13.25	-1.31	-59 *	-2.29	0.00	2.29
2044	14.35	13.25	-1.10	-70 *	-2.46	0.00	2.46
2045	14.14	13.24	-0.90	-79 *	-2.65	0.00	2.65
2046	13.93	13.24	-0.68	-87 *	-2.83	0.00	2.83
2047	13.71	13.24	-0.47	-95 *	-3.02	0.00	3.02
2048	13.50	13.24	-0.26	-101 *	-3.22	0.00	3.22
2049	13.29	13.24	-0.04	-105 *	-3.41	0.00	3.41
2050	13.07	13.24	0.17	-109 *	-3.61	0.00	3.61
2051	12.87	13.24	0.38	-110 *	-3.81	0.00	3.81
2052	12.67	13.25	0.58	-110 *	-4.01	0.00	4.01
2053	12.47	13.25	0.77	-109 *	-4.21	0.00	4.21
2054	12.29	13.25	0.96	-106 *	-4.41	0.00	4.41
2055	12.11	13.25	1.14	-101 *	-4.61	0.00	4.61
2056	11.93	13.25	1.32	-94 *	-4.81	0.00	4.81
2057	11.77	13.25	1.49	-85 *	-5.00	0.00	5.00
2058	11.60	13.26	1.65	-75 *	-5.18	0.00	5.18
2059	11.45	13.26	1.81	-62 *	-5.35	0.00	5.35
2060	11.30	13.26	1.96	-48 *	-5.50	0.00	5.50
2061	11.17	13.26	2.09	-32 *	-5.65	0.00	5.65
2062	11.04	13.26	2.22	-14 *	-5.78	0.00	5.78
2063	10.93	13.26	2.33	6	-5.91	0.00	5.91
2064	10.83	13.26	2.44	28	-6.02	0.00	6.02
2065	10.73	13.27	2.53	51	-6.13	0.00	6.13
2066	10.65	13.27	2.61	75	-6.24	0.00	6.24
2067	10.58	13.12	2.54	100	-6.33	-0.15	6.18
2068	10.51	10.40	-0.11	100	-6.42	-2.87	3.56
2069	10.46	10.35	-0.11	100	-6.51	-2.92	3.59
2070	10.41	10.30	-0.11	100	-6.59	-2.97	3.62
2071	10.37	10.26	-0.11	100	-6.66	-3.01	3.65
2072	10.34	10.23	-0.11	100	-6.73	-3.05	3.68
2073	10.31	10.20	-0.11	100	-6.80	-3.08	3.72
2074	10.29	10.18	-0.10	100	-6.86	-3.10	3.75
2075	10.27	10.16	-0.10	100	-6.91	-3.12	3.79
2076	10.25	10.15	-0.10	100	-6.96	-3.14	3.82
2077	10.25	10.14	-0.10	100	-7.00	-3.15	3.85
2078	10.24	10.14	-0.10	100	-7.05	-3.16	3.89
2079	10.24	10.14	-0.10	100	-7.08	-3.16	3.92
2080	10.24	10.14	-0.10	100	-7.12	-3.16	3.96
2081	10.25	10.14	-0.10	100	-7.15	-3.16	4.00
2082	10.26	10.15	-0.10	100	-7.18	-3.15	4.03
2083	10.27	10.16	-0.10	100	-7.21	-3.14	4.07
2084	10.28	10.18	-0.10	100	-7.24	-3.13	4.11
2085	10.29	10.19	-0.10	100	-7.26	-3.12	4.14
2086	10.31	10.20	-0.10	100	-7.29	-3.11	4.18

Summarized Rates: OASDI				
	Cost Rate	Income Rate	Actuarial Balance	Year of Exhaustion ¹
2011 - 2085	13.47%	13.47%	0.00%	2038

Summarized Rates: OASDI		
Change in Cost rate	Change in Income Rate	Change in Actuarial Balance
-2.77%	-0.55%	2.22%

Based on Intermediate Assumptions of the 2011 Trustees Report

* In this year, the trust funds would have debt in the form of loans from the General Fund of the Treasury.

¹ Under present law the year of exhaustion is 2037

Office of the Chief Actuary
 Social Security Administration
 September 12, 2011

Table 1a - General Fund Loans, Trust Fund Redirections, OASDI Trust Fund Assets, and Theoretical OASDI Assets - Preliminary Estimates
McCotter Proposal for Personal Accounts with OASI Benefit Reduction - Assume 100 Percent Participation

Calendar Year	Proposal Loans, Repayments and Redirections between the Trust Funds and the General Fund					Present Value in Billions as of 1-1-2011				
	General Fund Loans to the Trust Funds (+) and Repayments (-)		Trust Fund Income Redirected to the General Fund for PA Contributions and Benefit Guarantees			Proposal Net OASDI Trust Fund Assets (Debt) at End of Year	Proposal Personal Account Assets at End of Year	Gross Domestic Product	Theoretical Social Security ¹ with Borrowing Authority	
	Present Values in Billions as of 1/1/2011		Percentage of Payroll	Present Values in Billions as of 1/1/2011					Net OASDI Trust Fund Assets at End of Year	
	Annual Amounts	Accumulated as of End of Year		Annual Amounts	Accumulated as of End of Year	Without General Fund Transfers	With Plan General Fund Transfers			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2011	0.0	0.0	0.0	0.0	0.0	2,564.6	TBD	14,904.1	2,564.6	2,564.6
2012	0.0	0.0	0.0	0.0	0.0	2,545.0	TBD	14,951.5	2,545.0	2,545.0
2013	0.0	0.0	0.0	0.0	0.0	2,527.9	TBD	15,099.9	2,527.9	2,527.9
2014	0.0	0.0	0.0	0.0	0.0	2,513.4	TBD	15,251.0	2,513.4	2,513.4
2015	0.0	0.0	0.0	0.0	0.0	2,496.7	TBD	15,351.9	2,496.7	2,496.7
2016	0.0	0.0	0.0	0.0	0.0	2,476.9	TBD	15,378.4	2,476.9	2,476.9
2017	0.0	0.0	0.0	0.0	0.0	2,451.1	TBD	15,366.5	2,451.1	2,451.1
2018	0.0	0.0	0.0	0.0	0.0	2,417.9	TBD	15,366.9	2,417.9	2,417.9
2019	0.0	0.0	0.0	0.0	0.0	2,370.3	TBD	15,345.6	2,370.3	2,370.3
2020	0.0	0.0	0.0	0.0	0.0	2,305.9	TBD	15,301.1	2,305.9	2,305.9
2021	0.0	0.0	0.0	0.0	0.0	2,224.7	TBD	15,242.3	2,224.7	2,224.7
2022	0.0	0.0	0.0	0.0	0.0	2,127.7	TBD	15,159.1	2,127.6	2,127.6
2023	0.0	0.0	0.0	0.0	0.0	2,015.9	TBD	15,052.7	2,015.9	2,015.9
2024	0.0	0.0	0.0	0.0	0.0	1,891.6	TBD	14,924.4	1,890.9	1,890.9
2025	0.0	0.0	0.0	0.0	0.0	1,756.8	TBD	14,765.8	1,753.6	1,753.6
2026	0.0	0.0	0.0	0.0	0.0	1,613.4	TBD	14,596.0	1,605.5	1,605.5
2027	0.0	0.0	0.0	0.0	0.0	1,463.4	TBD	14,436.0	1,448.1	1,448.1
2028	0.0	0.0	0.0	0.0	0.0	1,308.9	TBD	14,276.4	1,282.9	1,282.9
2029	0.0	0.0	0.0	0.0	0.0	1,152.5	TBD	14,114.5	1,111.6	1,111.6
2030	0.0	0.0	0.0	0.0	0.0	997.0	TBD	13,958.1	935.7	935.7
2031	0.0	0.0	0.0	0.0	0.0	844.3	TBD	13,813.5	757.0	757.0
2032	0.0	0.0	0.0	0.0	0.0	695.4	TBD	13,670.9	576.1	576.1
2033	0.0	0.0	0.0	0.0	0.0	551.2	TBD	13,528.0	393.8	393.8
2034	0.0	0.0	0.0	0.0	0.0	413.0	TBD	13,387.2	211.4	211.4
2035	0.0	0.0	0.0	0.0	0.0	281.7	TBD	13,245.5	29.8	29.8
2036	0.0	0.0	0.0	0.0	0.0	158.0	TBD	13,107.1	-150.6	-150.6
2037	0.0	0.0	0.0	0.0	0.0	42.5	TBD	12,971.3	-329.1	-329.1
2038	63.8	63.8	0.0	0.0	0.0	-63.8	TBD	12,843.4	-504.7	-504.7
2039	96.6	160.3	0.0	0.0	0.0	-160.3	TBD	12,714.4	-676.9	-676.9
2040	86.8	247.1	0.0	0.0	0.0	-247.1	TBD	12,582.3	-845.5	-845.5
2041	76.7	323.8	0.0	0.0	0.0	-323.8	TBD	12,453.7	-1,010.4	-1,010.4
2042	66.7	390.6	0.0	0.0	0.0	-390.6	TBD	12,326.2	-1,171.6	-1,171.6
2043	56.9	447.5	0.0	0.0	0.0	-447.5	TBD	12,197.5	-1,329.5	-1,329.5
2044	47.4	494.9	0.0	0.0	0.0	-494.9	TBD	12,069.4	-1,484.4	-1,484.4
2045	37.8	532.7	0.0	0.0	0.0	-532.7	TBD	11,941.2	-1,636.3	-1,636.3
2046	28.3	561.0	0.0	0.0	0.0	-561.0	TBD	11,813.2	-1,785.2	-1,785.2
2047	19.0	580.0	0.0	0.0	0.0	-580.0	TBD	11,684.0	-1,931.5	-1,931.5
2048	9.9	590.0	0.0	0.0	0.0	-590.0	TBD	11,555.8	-2,075.1	-2,075.1
2049	1.0	591.0	0.0	0.0	0.0	-591.0	TBD	11,428.4	-2,216.1	-2,216.1
2050	-7.6	583.4	0.0	0.0	0.0	-583.4	TBD	11,301.9	-2,354.8	-2,354.8
2051	-15.7	567.7	0.0	0.0	0.0	-567.7	TBD	11,175.5	-2,491.4	-2,491.4
2052	-23.5	544.2	0.0	0.0	0.0	-544.2	TBD	11,049.7	-2,626.4	-2,626.4
2053	-30.8	513.4	0.0	0.0	0.0	-513.4	TBD	10,924.7	-2,759.9	-2,759.9
2054	-37.7	475.7	0.0	0.0	0.0	-475.7	TBD	10,800.1	-2,892.1	-2,892.1
2055	-44.1	431.6	0.0	0.0	0.0	-431.6	TBD	10,677.6	-3,023.3	-3,023.3
2056	-50.1	381.5	0.0	0.0	0.0	-381.5	TBD	10,555.1	-3,153.5	-3,153.5
2057	-55.8	325.7	0.0	0.0	0.0	-325.7	TBD	10,434.5	-3,282.7	-3,282.7
2058	-61.1	264.7	0.0	0.0	0.0	-264.7	TBD	10,315.5	-3,410.8	-3,410.8
2059	-65.9	198.7	0.0	0.0	0.0	-198.7	TBD	10,198.7	-3,537.8	-3,537.8
2060	-70.4	128.4	0.0	0.0	0.0	-128.4	TBD	10,084.5	-3,663.4	-3,663.4
2061	-74.3	54.1	0.0	0.0	0.0	-54.1	TBD	9,971.5	-3,787.8	-3,787.8
2062	-54.1	0.0	0.0	0.0	0.0	23.6	TBD	9,860.0	-3,911.0	-3,911.0
2063	0.0	0.0	0.0	0.0	0.0	104.3	TBD	9,750.1	-4,032.9	-4,032.9
2064	0.0	0.0	0.0	0.0	0.0	187.4	TBD	9,640.9	-4,153.8	-4,153.8
2065	0.0	0.0	0.0	0.0	0.0	272.6	TBD	9,532.4	-4,273.6	-4,273.6
2066	0.0	0.0	0.0	0.0	0.0	359.5	TBD	9,425.1	-4,392.6	-4,392.6
2067	0.0	0.0	0.0	5.1	5.1	442.7	TBD	9,319.2	-4,510.8	-4,510.8
2068	0.0	0.0	0.0	94.8	99.9	437.0	TBD	9,214.2	-4,628.3	-4,628.3
2069	0.0	0.0	0.0	95.4	195.4	431.5	TBD	9,109.6	-4,745.1	-4,745.1
2070	0.0	0.0	0.0	95.8	291.1	426.0	TBD	9,005.9	-4,861.5	-4,861.5
2071	0.0	0.0	0.1	95.9	387.0	420.6	TBD	8,903.0	-4,977.2	-4,977.2
2072	0.0	0.0	0.1	95.8	482.9	415.3	TBD	8,801.0	-5,092.4	-5,092.4
2073	0.0	0.0	0.1	95.5	578.4	410.0	TBD	8,699.7	-5,207.2	-5,207.2
2074	0.0	0.0	0.1	95.0	673.4	404.8	TBD	8,599.7	-5,321.6	-5,321.6
2075	0.0	0.0	0.1	94.4	767.8	399.7	TBD	8,500.5	-5,435.5	-5,435.5
2076	0.0	0.0	0.1	93.7	861.5	394.6	TBD	8,402.2	-5,548.9	-5,548.9
2077	0.0	0.0	0.1	92.8	954.3	389.6	TBD	8,304.6	-5,661.8	-5,661.8
2078	0.0	0.0	0.1	91.8	1,046.1	384.7	TBD	8,207.6	-5,774.2	-5,774.2
2079	0.0	0.0	0.1	90.7	1,136.8	379.8	TBD	8,111.3	-5,886.2	-5,886.2
2080	0.0	0.0	0.1	89.6	1,226.4	375.0	TBD	8,015.9	-5,997.7	-5,997.7
2081	0.0	0.0	0.1	88.3	1,314.7	370.3	TBD	7,921.4	-6,108.7	-6,108.7
2082	0.0	0.0	0.1	87.0	1,401.7	365.6	TBD	7,827.9	-6,219.3	-6,219.3
2083	0.0	0.0	0.1	85.7	1,487.4	361.0	TBD	7,734.9	-6,329.5	-6,329.5
2084	0.0	0.0	0.1	84.3	1,571.8	356.5	TBD	7,642.9	-6,439.2	-6,439.2
2085	0.0	0.0	0.1	83.0	1,654.7	352.0	TBD	7,552.1	-6,548.4	-6,548.4
Total 2011-2085	0.0			1654.7						

Based on the Intermediate Assumptions of the 2011 Trustees Report
 Ultimate Real Trust Fund Yield of 2.9%

Office of the Chief Actuary
 Social Security Administration
 September 12, 2011

¹ Theoretical Social Security is the current Social Security program with the assumption that the law is modified to permit borrowing from the General Fund of the Treasury.

Table 1b - OASDI Changes & Implications for Federal Budget and Debt of Specified Plan Provision Effects on OASDI¹ (Present Value Dollars) - Preliminary Estimates
McCotter Proposal for Personal Accounts with OASI Benefit Reduction - Assume 100 Percent Participation

Billions of Present Value Dollars as of 1-1-2011

Year	Reduction in OASDI Benefits Plus Change in Tax on Benefits and PA Distributions	Personal Account Contributions from the General Fund	OASDI Income Redirected to the General Fund for PA Contributions and Guarantees	Cost of Guarantee for Personal Account Participants	General Fund Loans to the Trust Funds (+) and Repayments (-)	Unified Budget Perspective			On-Budget Perspective	
						Change in Annual Unified Budget Cash Flow (6)	Change in Debt Held by Public at End of Year (7)	Change in Annual Unified Budget Balance (8)=(6)+Change in Interest	Change in Annual On Budget Cash Flow ² (9)	Change in Total Federal Debt End Of Year (10)
						=(1)-(2)-(4)	(7)	(8)	=(2)+(3)-(4)	(10)
2011	0.0	0.0	0.0	TBD	0.0	0.0	0.0	0.0	0.0	
2012	0.0	106.3	0.0	TBD	0.0	-106.3	106.3	-106.3	106.3	
2013	0.0	118.1	0.0	TBD	0.0	-118.1	224.4	-122.5	224.4	
2014	0.0	123.5	0.0	TBD	0.0	-123.5	347.9	-133.0	347.9	
2015	0.0	128.7	0.0	TBD	0.0	-128.7	476.6	-143.6	476.6	
2016	0.0	133.7	0.0	TBD	0.0	-133.7	610.3	-154.3	610.3	
2017	0.0	138.2	0.0	TBD	0.0	-138.2	748.6	-164.9	748.6	
2018	0.0	142.8	0.0	TBD	0.0	-142.8	891.3	-176.4	891.3	
2019	0.0	146.4	0.0	TBD	0.0	-146.4	1,037.7	-187.4	1,037.7	
2020	0.0	149.5	0.0	TBD	0.0	-149.5	1,187.2	-198.2	1,187.2	
2021	0.0	152.0	0.0	TBD	0.0	-152.0	1,339.3	-209.5	1,339.3	
2022	0.0	154.1	0.0	TBD	0.0	-154.1	1,493.4	-221.0	1,493.4	
2023	0.0	155.8	0.0	TBD	0.0	-155.8	1,649.2	-232.6	1,649.2	
2024	0.7	156.8	0.0	TBD	0.0	-156.1	1,805.3	-243.6	1,806.0	
2025	2.5	157.3	0.0	TBD	0.0	-154.8	1,960.1	-253.5	1,963.3	
2026	4.7	157.3	0.0	TBD	0.0	-152.6	2,112.8	-259.7	2,120.6	
2027	7.4	157.1	0.0	TBD	0.0	-149.7	2,262.5	-265.2	2,277.8	
2028	10.7	156.6	0.0	TBD	0.0	-145.9	2,408.4	-269.6	2,434.4	
2029	15.0	155.8	0.0	TBD	0.0	-140.8	2,549.2	-272.4	2,590.2	
2030	20.3	154.8	0.0	TBD	0.0	-134.5	2,683.6	-273.8	2,744.9	
2031	26.0	153.6	0.0	TBD	0.0	-127.6	2,811.3	-274.3	2,898.6	
2032	32.0	152.5	0.0	TBD	0.0	-120.6	2,931.8	-274.2	3,051.1	
2033	38.1	151.4	0.0	TBD	0.0	-113.3	3,045.1	-273.5	3,202.5	
2034	44.2	150.1	0.0	TBD	0.0	-105.9	3,151.0	-272.4	3,352.6	
2035	50.3	148.9	0.0	TBD	0.0	-98.5	3,249.6	-270.7	3,501.5	
2036	56.6	147.5	0.0	TBD	0.0	-90.9	3,340.5	-268.5	3,649.0	
2037	63.0	145.9	0.0	TBD	0.0	-82.9	3,423.3	-265.4	3,794.9	
2038	69.4	144.3	0.0	TBD	63.8	-74.9	3,498.2	-262.0	3,939.2	
2039	75.6	142.7	0.0	TBD	96.6	-67.0	3,565.3	-258.2	4,081.8	
2040	81.9	141.0	0.0	TBD	86.8	-59.2	3,624.4	-254.0	4,222.9	
2041	88.1	139.4	0.0	TBD	76.7	-51.3	3,675.7	-249.4	4,362.3	
2042	94.5	137.8	0.0	TBD	66.7	-43.3	3,719.0	-244.2	4,500.1	
2043	101.0	136.2	0.0	TBD	56.9	-35.2	3,754.3	-238.5	4,636.3	
2044	107.5	134.6	0.0	TBD	47.4	-27.1	3,781.3	-232.2	4,770.9	
2045	114.1	133.0	0.0	TBD	37.8	-18.9	3,800.2	-225.5	4,903.8	
2046	120.6	131.3	0.0	TBD	28.3	-10.7	3,810.9	-218.4	5,035.2	
2047	127.2	129.7	0.0	TBD	19.0	-2.5	3,813.5	-210.8	5,164.9	
2048	133.7	128.1	0.0	TBD	9.9	5.6	3,807.9	-202.8	5,293.0	
2049	140.0	126.5	0.0	TBD	1.0	13.5	3,794.4	-194.6	5,419.5	
2050	146.3	124.9	0.0	TBD	-7.6	21.3	3,773.0	-186.0	5,544.4	
2051	152.4	123.4	0.0	TBD	-15.7	29.0	3,744.0	-177.2	5,667.8	
2052	158.4	121.8	0.0	TBD	-23.5	36.6	3,707.4	-168.0	5,789.6	
2053	164.3	120.3	0.0	TBD	-30.8	44.0	3,663.3	-158.6	5,909.8	
2054	169.9	118.7	0.0	TBD	-37.7	51.2	3,612.1	-149.0	6,028.5	
2055	175.2	117.2	0.0	TBD	-44.1	58.1	3,554.1	-139.4	6,145.7	
2056	180.3	115.7	0.0	TBD	-50.1	64.6	3,489.4	-129.6	6,261.4	
2057	185.0	114.2	0.0	TBD	-55.8	70.8	3,418.6	-119.9	6,375.6	
2058	189.2	112.7	0.0	TBD	-61.1	76.5	3,342.1	-110.3	6,488.3	
2059	192.9	111.3	0.0	TBD	-65.9	81.6	3,260.5	-101.1	6,599.6	
2060	196.0	109.9	0.0	TBD	-70.4	86.1	3,174.4	-92.1	6,709.4	
2061	198.7	108.5	0.0	TBD	-74.3	90.2	3,084.2	-83.3	6,817.9	
2062	200.8	107.1	0.0	TBD	-78.1	93.7	2,990.5	-74.8	6,925.1	
2063	202.6	105.8	0.0	TBD	0.0	96.8	2,893.7	-66.6	7,030.9	
2064	204.0	104.5	0.0	TBD	0.0	99.5	2,794.1	-58.6	7,135.3	
2065	205.1	103.1	0.0	TBD	0.0	101.9	2,692.2	-50.8	7,238.5	
2066	205.9	101.8	0.0	TBD	0.0	104.1	2,588.1	-43.1	7,340.3	
2067	206.4	100.5	5.1	TBD	0.0	105.9	2,482.2	-35.6	7,435.7	
2068	206.7	99.2	94.8	TBD	0.0	107.5	2,374.8	-28.2	7,440.1	
2069	206.8	98.0	95.4	TBD	0.0	108.8	2,266.0	-21.0	7,442.6	
2070	206.6	96.7	95.8	TBD	0.0	109.9	2,156.1	-13.9	7,443.6	
2071	206.3	95.5	95.9	TBD	0.0	110.8	2,045.3	-7.1	7,443.1	
2072	205.7	94.3	95.8	TBD	0.0	111.4	1,933.9	-0.4	7,441.6	
2073	205.0	93.1	95.5	TBD	0.0	112.0	1,821.9	6.3	7,439.1	
2074	204.2	91.9	95.0	TBD	0.0	112.4	1,709.6	12.8	7,436.0	
2075	203.2	90.7	94.4	TBD	0.0	112.5	1,597.0	19.1	7,432.2	
2076	202.0	89.5	93.7	TBD	0.0	112.5	1,484.6	25.2	7,428.1	
2077	200.7	88.4	92.8	TBD	0.0	112.3	1,372.3	31.2	7,423.7	
2078	199.3	87.3	91.8	TBD	0.0	112.1	1,260.2	37.1	7,419.2	
2079	197.8	86.1	90.7	TBD	0.0	111.7	1,148.5	42.8	7,414.6	
2080	196.3	85.0	89.6	TBD	0.0	111.2	1,037.3	48.5	7,410.0	
2081	194.6	83.9	88.3	TBD	0.0	110.7	926.6	54.0	7,405.7	
2082	193.0	82.9	87.0	TBD	0.0	110.1	816.5	59.5	7,401.5	
2083	191.2	81.8	85.7	TBD	0.0	109.4	707.1	64.8	7,397.6	
2084	189.5	80.7	84.3	TBD	0.0	108.7	598.3	70.1	7,394.0	
2085	187.7	79.7	83.0	TBD	0.0	108.0	490.3	75.3	7,390.8	
Total 2011-85	8,555.2	9,045.5	1,654.7	TBD	0.0					

Based on Intermediate Assumptions of the 2011 Trustees Report.
 Ultimate Real Trust Fund Yield of 2.9%

Office of the Chief Actuary
 Social Security Administration
 September 12, 2011

¹ Changes in OASDI Benefits and in Taxes on Benefits and PA Distributions Directed to OASDI Do Not Affect the On-Budget.

² Positive values toward the end of the 75-year period will be at least partially offset by the cost of the guarantee in (4).

Table 1b.n - OASDI Changes & Implications for Federal Budget and Debt of Specified Plan Provision Effects on OASDI¹ (Nominal Dollars) - Preliminary Estimates
McCotter Proposal for Personal Accounts with OASI Benefit Reduction - Assume 100 Percent Participation

Billions of Nominal Dollars

Year	Reduction in OASDI Benefits Plus Change in Tax on Benefits and PA Distributions	Personal Account Contributions from the General Fund	OASDI Income Redirected to the General Fund for PA Contributions and Guarantees	Cost of Guarantee for Personal Account Participants	General Fund Loans to the Trust Funds (+) and Repayments (-)	Unified Budget Perspective			On-Budget Perspective	
						Change in Annual Unified Budget Cash Flow	Change in Debt Held by Public at End of Year	Change in Annual Unified Budget Balance	Change in Annual On Budget Cash Flow	Change in Total Federal Debt End Of Year
	(1)	(2)	(3)	(4)	(5)	(6) =(1)-(2)-(4)	(7)	(8)=(6)+Change in Interest	(9) =-(2)+(3)-(4)	(10)
2011	0.0	0.0	0.0	TBD	0.0	0.0	0.0	0.0	0.0	0.0
2012	0.0	113.3	0.0	TBD	0.0	-113.3	115.7	-115.7	-113.3	115.7
2013	0.0	131.3	0.0	TBD	0.0	-131.3	254.9	-139.1	-131.3	254.9
2014	0.0	143.4	0.0	TBD	0.0	-143.4	412.5	-157.6	-143.4	412.5
2015	0.0	156.0	0.0	TBD	0.0	-156.0	590.1	-177.6	-156.0	590.1
2016	0.0	169.3	0.0	TBD	0.0	-169.3	789.6	-199.5	-169.3	789.6
2017	0.0	183.0	0.0	TBD	0.0	-183.0	1,012.3	-222.8	-183.0	1,012.3
2018	0.0	197.8	0.0	TBD	0.0	-197.8	1,261.1	-248.7	-197.8	1,261.1
2019	0.0	212.5	0.0	TBD	0.0	-212.5	1,538.0	-276.9	-212.5	1,538.0
2020	0.0	227.5	0.0	TBD	0.0	-227.5	1,845.2	-307.3	-227.5	1,845.2
2021	0.0	243.0	0.0	TBD	0.0	-243.0	2,185.2	-339.9	-243.0	2,185.2

Based on Intermediate Assumptions of the 2011 Trustees Report.
 Ultimate Real Trust Fund Yield of 2.9%

Office of the Chief Actuary
 Social Security Administration
 September 12, 2011

¹ Changes in OASDI Benefits and in Taxes on Benefits and PA Distributions Directed to OASDI Do Not Affect the On-Budget.

**Table 1c - Present Law and Proposal Cost, Expenditures, and Income: As Percent of Gross Domestic Product - Preliminary Estimates
McCotter Proposal for Personal Accounts with OASI Benefit Reduction - Assume 100 Percent Participation**

Calendar Year	Present Law OASDI			Proposal OASDI		
	Cost (1)	Expenditures (Payable) (2)	Non-Interest Income (3)	Cost (4)	Expenditures (Payable) (5)	Non-Interest Income (6)
2011	4.85	4.85	4.55	4.85	4.85	4.55
2012	4.84	4.84	4.71	4.84	4.84	4.71
2013	4.84	4.84	4.73	4.84	4.84	4.73
2014	4.86	4.86	4.76	4.86	4.86	4.76
2015	4.89	4.89	4.78	4.89	4.89	4.78
2016	4.95	4.95	4.82	4.95	4.95	4.82
2017	5.02	5.02	4.85	5.02	5.02	4.85
2018	5.10	5.10	4.88	5.10	5.10	4.88
2019	5.21	5.21	4.89	5.21	5.21	4.89
2020	5.32	5.32	4.89	5.32	5.32	4.89
2021	5.43	5.43	4.89	5.43	5.43	4.89
2022	5.53	5.53	4.88	5.53	5.53	4.88
2023	5.63	5.63	4.88	5.63	5.63	4.88
2024	5.72	5.72	4.87	5.71	5.71	4.87
2025	5.81	5.81	4.87	5.79	5.79	4.87
2026	5.89	5.89	4.87	5.86	5.86	4.87
2027	5.96	5.96	4.86	5.91	5.91	4.86
2028	6.02	6.02	4.86	5.95	5.95	4.86
2029	6.08	6.08	4.86	5.97	5.97	4.86
2030	6.12	6.12	4.85	5.97	5.97	4.85
2031	6.15	6.15	4.85	5.96	5.96	4.85
2032	6.18	6.18	4.85	5.94	5.94	4.85
2033	6.20	6.20	4.85	5.92	5.92	4.85
2034	6.21	6.21	4.84	5.88	5.88	4.84
2035	6.22	6.22	4.84	5.84	5.84	4.84
2036	6.22	5.05	4.83	5.78	5.78	4.83
2037	6.21	4.83	4.83	5.73	5.73	4.83
2038	6.20	4.82	4.82	5.66	5.66	4.82
2039	6.18	4.82	4.82	5.58	5.58	4.82
2040	6.16	4.81	4.81	5.51	5.51	4.81
2041	6.14	4.81	4.81	5.43	5.43	4.81
2042	6.11	4.80	4.80	5.35	5.35	4.80
2043	6.09	4.79	4.79	5.27	5.27	4.79
2044	6.08	4.79	4.79	5.19	5.19	4.79
2045	6.06	4.78	4.78	5.10	5.10	4.78
2046	6.04	4.77	4.77	5.02	5.02	4.77
2047	6.02	4.77	4.77	4.93	4.93	4.77
2048	6.01	4.76	4.76	4.85	4.85	4.76
2049	5.99	4.75	4.75	4.77	4.77	4.75
2050	5.98	4.74	4.74	4.68	4.68	4.74
2051	5.97	4.74	4.74	4.60	4.60	4.74
2052	5.96	4.73	4.73	4.53	4.53	4.73
2053	5.95	4.73	4.73	4.45	4.45	4.73
2054	5.95	4.72	4.72	4.38	4.38	4.72
2055	5.95	4.71	4.71	4.31	4.31	4.71
2056	5.95	4.71	4.71	4.24	4.24	4.71
2057	5.94	4.70	4.70	4.17	4.17	4.70
2058	5.94	4.69	4.69	4.11	4.11	4.69
2059	5.94	4.69	4.69	4.05	4.05	4.69
2060	5.93	4.68	4.68	3.99	3.99	4.68
2061	5.93	4.68	4.68	3.94	3.94	4.68
2062	5.93	4.67	4.67	3.89	3.89	4.67
2063	5.92	4.66	4.66	3.84	3.84	4.66
2064	5.92	4.66	4.66	3.80	3.80	4.66
2065	5.91	4.65	4.65	3.76	3.76	4.65
2066	5.91	4.64	4.64	3.73	3.73	4.64
2067	5.91	4.64	4.64	3.70	3.70	4.59
2068	5.91	4.63	4.63	3.67	3.67	3.63
2069	5.92	4.63	4.63	3.65	3.65	3.61
2070	5.92	4.62	4.62	3.62	3.62	3.59
2071	5.92	4.62	4.62	3.61	3.61	3.57
2072	5.92	4.61	4.61	3.59	3.59	3.55
2073	5.93	4.60	4.60	3.57	3.57	3.54
2074	5.94	4.60	4.60	3.56	3.56	3.53
2075	5.94	4.59	4.59	3.55	3.55	3.51
2076	5.94	4.59	4.59	3.54	3.54	3.51
2077	5.95	4.58	4.58	3.53	3.53	3.50
2078	5.96	4.58	4.58	3.53	3.53	3.49
2079	5.96	4.58	4.58	3.52	3.52	3.49
2080	5.97	4.57	4.57	3.52	3.52	3.49
2081	5.98	4.57	4.57	3.52	3.52	3.48
2082	5.98	4.56	4.56	3.52	3.52	3.48
2083	5.99	4.56	4.56	3.52	3.52	3.48
2084	6.00	4.56	4.56	3.52	3.52	3.48
2085	6.01	4.55	4.55	3.52	3.52	3.49

Based on Intermediate Assumptions of the 2011 Trustees Report.

Office of the Chief Actuary
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September 12, 2011

Table 1d - Change in Long-Range Trust Fund Assets / Unfunded Obligation - Preliminary Estimates
McCotter Proposal for Personal Accounts with OASI Benefit Reduction - Assume 100 Percent Participation

(Billions of Dollars, Present Value on 1-1-2011)

Year	Present Law OASDI Trust Fund Assets / Unfunded Obligation Through End of Year	OASDI Income Redirected to the General Fund for PA Contributions and Guarantees	Change in OASDI Income from Taxation of Benefits and PA Distributions	Total Change in OASDI Non-interest Income	Change in OASDI Benefit Cost	Change in OASDI Annual Cash Flow	Cumulative Change in OASDI Cash Flow Through End of Year	Proposal OASDI Trust Fund Assets / Debt Through End of Year
	(1)	(2)	(3)	(4)=(3)-(2)	(5)	(6)=(4)-(5)	(7)	(8) = (1)+(7)
2011	2,564.6	0.0	0.0	0.0	0.0	0.0	0.0	2,564.6
2012	2,545.0	0.0	0.0	0.0	0.0	0.0	0.0	2,545.0
2013	2,527.9	0.0	0.0	0.0	0.0	0.0	0.0	2,527.9
2014	2,513.4	0.0	0.0	0.0	0.0	0.0	0.0	2,513.4
2015	2,496.7	0.0	0.0	0.0	0.0	0.0	0.0	2,496.7
2016	2,476.9	0.0	0.0	0.0	0.0	0.0	0.0	2,476.9
2017	2,451.1	0.0	0.0	0.0	0.0	0.0	0.0	2,451.1
2018	2,417.9	0.0	0.0	0.0	0.0	0.0	0.0	2,417.9
2019	2,370.3	0.0	0.0	0.0	0.0	0.0	0.0	2,370.3
2020	2,305.9	0.0	0.0	0.0	0.0	0.0	0.0	2,305.9
2021	2,224.7	0.0	0.0	0.0	0.0	0.0	0.0	2,224.7
2022	2,127.6	0.0	0.0	0.0	0.0	0.0	0.0	2,127.7
2023	2,015.9	0.0	0.0	0.0	0.0	0.0	0.0	2,015.9
2024	1,890.9	0.0	0.0	0.0	-0.7	0.7	0.7	1,891.6
2025	1,753.6	0.0	0.0	0.0	-2.5	2.5	3.2	1,756.8
2026	1,605.5	0.0	0.0	0.0	-4.7	4.7	7.9	1,613.4
2027	1,448.1	0.0	0.0	0.0	-7.4	7.4	15.3	1,463.4
2028	1,282.9	0.0	0.0	0.0	-10.7	10.7	25.9	1,308.9
2029	1,111.6	0.0	0.0	0.0	-15.0	15.0	41.0	1,152.5
2030	935.7	0.0	0.0	0.0	-20.3	20.3	61.3	997.0
2031	757.0	0.0	0.0	0.0	-26.0	26.0	87.3	844.3
2032	576.1	0.0	0.0	0.0	-32.0	32.0	119.3	695.4
2033	393.8	0.0	0.0	0.0	-38.1	38.1	157.4	551.2
2034	211.4	0.0	0.0	0.0	-44.2	44.2	201.6	413.0
2035	29.8	0.0	0.0	0.0	-50.3	50.3	251.9	281.7
2036	-150.6	0.0	0.0	0.0	-56.6	56.6	308.6	158.0
2037	-329.1	0.0	0.0	0.0	-63.0	63.0	371.6	42.5
2038	-504.7	0.0	0.0	0.0	-69.4	69.4	440.9	-63.8
2039	-676.9	0.0	0.0	0.0	-75.6	75.6	516.6	-160.3
2040	-845.5	0.0	0.0	0.0	-81.9	81.9	598.4	-247.1
2041	-1,010.4	0.0	0.0	0.0	-88.1	88.1	686.6	-323.8
2042	-1,171.6	0.0	0.0	0.0	-94.5	94.5	781.1	-390.6
2043	-1,329.5	0.0	0.0	0.0	-101.0	101.0	882.0	-447.5
2044	-1,484.4	0.0	0.0	0.0	-107.5	107.5	989.6	-494.9
2045	-1,636.3	0.0	0.0	0.0	-114.1	114.1	1,103.6	-532.7
2046	-1,785.2	0.0	0.0	0.0	-120.6	120.6	1,224.3	-561.0
2047	-1,931.5	0.0	0.0	0.0	-127.2	127.2	1,351.4	-580.0
2048	-2,075.1	0.0	0.0	0.0	-133.7	133.7	1,485.1	-590.0
2049	-2,216.1	0.0	0.0	0.0	-140.0	140.0	1,625.1	-591.0
2050	-2,354.8	0.0	0.0	0.0	-146.3	146.3	1,771.4	-583.4
2051	-2,491.4	0.0	0.0	0.0	-152.4	152.4	1,923.8	-567.7
2052	-2,626.4	0.0	0.0	0.0	-158.4	158.4	2,082.2	-544.2
2053	-2,759.9	0.0	0.0	0.0	-164.3	164.3	2,246.5	-513.4
2054	-2,892.1	0.0	0.0	0.0	-169.9	169.9	2,416.4	-475.7
2055	-3,023.3	0.0	0.0	0.0	-175.2	175.2	2,591.7	-431.6
2056	-3,153.5	0.0	0.0	0.0	-180.3	180.3	2,772.0	-381.5
2057	-3,282.7	0.0	0.0	0.0	-185.0	185.0	2,957.0	-325.7
2058	-3,410.8	0.0	0.0	0.0	-189.2	189.2	3,146.2	-264.7
2059	-3,537.8	0.0	0.0	0.0	-192.9	192.9	3,339.1	-198.7
2060	-3,663.4	0.0	0.0	0.0	-196.0	196.0	3,535.1	-128.4
2061	-3,787.8	0.0	0.0	0.0	-198.7	198.7	3,733.7	-54.1
2062	-3,911.0	0.0	0.0	0.0	-200.8	200.8	3,934.6	23.6
2063	-4,032.9	0.0	0.0	0.0	-202.6	202.6	4,137.2	104.3
2064	-4,153.8	0.0	0.0	0.0	-204.0	204.0	4,341.2	187.4
2065	-4,273.6	0.0	0.0	0.0	-205.1	205.1	4,546.3	272.6
2066	-4,392.6	0.0	0.0	0.0	-205.9	205.9	4,752.1	359.5
2067	-4,510.8	5.1	0.0	-5.1	-206.4	201.3	4,953.5	442.7
2068	-4,628.3	94.8	0.0	-94.8	-206.7	111.9	5,065.3	437.0
2069	-4,745.1	95.4	0.0	-95.4	-206.8	111.3	5,176.6	431.5
2070	-4,861.5	95.8	0.0	-95.8	-206.6	110.9	5,287.5	426.0
2071	-4,977.2	95.9	0.0	-95.9	-206.3	110.3	5,397.8	420.6
2072	-5,092.4	95.8	0.0	-95.8	-205.7	109.9	5,507.7	415.3
2073	-5,207.2	95.5	0.0	-95.5	-205.0	109.5	5,617.2	410.0
2074	-5,321.6	95.0	0.0	-95.0	-204.2	109.2	5,726.4	404.8
2075	-5,435.5	94.4	0.0	-94.4	-203.2	108.8	5,835.2	399.7
2076	-5,548.9	93.7	0.0	-93.7	-202.0	108.3	5,943.5	394.6
2077	-5,661.8	92.8	0.0	-92.8	-200.7	107.9	6,051.4	389.6
2078	-5,774.2	91.8	0.0	-91.8	-199.3	107.5	6,158.9	384.7
2079	-5,886.2	90.7	0.0	-90.7	-197.8	107.1	6,266.0	379.8
2080	-5,997.7	89.6	0.0	-89.6	-196.3	106.7	6,372.7	375.0
2081	-6,108.7	88.3	0.0	-88.3	-194.6	106.3	6,479.1	370.3
2082	-6,219.3	87.0	0.0	-87.0	-193.0	105.9	6,585.0	365.6
2083	-6,329.5	85.7	0.0	-85.7	-191.2	105.5	6,690.5	361.0
2084	-6,439.2	84.3	0.0	-84.3	-189.5	105.2	6,795.7	356.5
2085	-6,548.4	83.0	0.0	-83.0	-187.7	104.8	6,900.4	352.0
Total 2011-2085		1,654.7	0.0	-1,654.7	-8,555.2	6,900.4		

Based on Intermediate Assumptions of the 2011 Trustees Report.

Ultimate Real Trust Fund Yield of 2.9%.

Office of the Chief Actuary
 Social Security Administration
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